

HOMEBUYER CHOICE PROGRAM

KEY STEPS



First Steps

- Check your eligibility (See next column)
- Find a realtor
- 8-hour Homebuyer Education Course
- Work with an HCLT-approved lender for a fixed-rate mortgage



Application

- Collect documents on the HCLT's Document Checklist
- Submit documents through HCLT's application portal



Eligibility Check (5 business days)

- Checking household income (<80% Area Median Income)
- Checking financial viability (\$70,000 contribution)
- Checking other requirements (See next column)

HCDD will check for income requirements, and HCLT will perform other eligibility checks. When approved, HCLT will issue a Qualification Letter.



Property Selection and HCLT Agreement (within 90 days of Qualification Letter)

- Your property must be a single-family home
- Your property must be within the City of Houston's tax jurisdiction
- HCLT will purchase and own the land on which the home sits
- Homebuyer will have full right to use and modify the home and land

HCLT will be responsible for gathering documents and sharing finalized contract with HCDD.

If your chosen property is still under construction, HCDD will hold your application until it is ready to proceed to Environmental Review.



Environmental and Safety Inspections (7-10 business days)

Things HCDD will look for:

- health and safety hazards
- home outside a floodway, outside 100-year floodplain
- insurance, if within the 500-year floodplain
- asbestos and lead-based-paint concerns

The homebuyer is also responsible for conducting and submitting proof of a TREC inspection.



Underwriting and Closing

HCDD will secure your funding and issue a non-binding Commitment Letter.

- HCLT will prepare subsidy worksheet and send closing and wiring information to HCDD
- City of Houston finance team will be notified 3 days before closing
- You (or lender/seller, as needed) will receive funding the day of your closing
- HCLT will send post-closing documents

WHAT YOU NEED TO KNOW

ELIGIBILITY

YOU MUST:

- be a U.S. citizen or permanent resident
- earn at or below 80% of Area Median Income
- complete an 8-hour homebuyer education course at a location approved by the U.S. Department of Housing and Urban Development
- commit \$350 to the initial down payment
- maintain \$1000 in reserve
- agree to contribute at least \$70,000 to the home purchase
- not be a current homeowner

YOUR NEW HOME MUST:

- be located within the City of Houston jurisdiction
- meet environmental and safety requirements
- be able to pass our internal inspection

FUNDING TIERS

HCDD provides subsidies that will make the home affordable in two tiers:

- Up to \$150,000 for homes zoned to A- and B-ranked schools
- Up to \$100,000 for homes located in any other area of the City of Houston

LEARN MORE:

houstonclt.org/homebuyer-choice-program

QUESTIONS?

Email info@houstonclt.org or call 713-512-5575.

